

BUSINESS IMPROVEMENT DISTRICT NO. 51

HARBOR DISTRICT

2020 - 2021 OPERATING PLAN

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I. INTRODUCTION

A. Background

In 1984, the Wisconsin legislature created s. 66.1109 of the Statutes enabling cities to establish Business Improvement Districts (BIDS) upon the petition of at least one property owner within the proposed district. The purpose of the law is "...to allow businesses within those districts to develop, to manage and promote the districts and to establish an assessment method to fund these activities."

The City of Milwaukee created Business Improvement District No. 51 ("BID 51") and approved its initial operating plan on November 1, 2016 via Common Council Resolution Number 160664 for the purpose of revitalizing and enhancing the Harbor District business area surrounding Milwaukee's Inner Harbor. Section 66.1109(3) (b), Wisconsin Statutes requires that a BID board "shall annually consider and make changes to the operating plan.....the board shall then submit the operating plan to the local legislative body for approval." The BID proponents submit this operating plan in fulfillment of statutory requirement.

B. Physical Setting

BID #51 surrounds Milwaukee's Inner Harbor and is approximately bounded by East Bruce Street on the North, First Street on the west, Bay Street on the south, and the Milwaukee Mooring Basin and Kinnickinnic and Milwaukee Rivers on the east.

II. DISTRICT BOUNDARIES

Boundaries of the district are shown on the map in Appendix A of this plan. A listing of the properties in the district is provided in Appendix E.

III. PROPOSED OPERATING PLAN

A. Plan Objectives

The objectives of the BID shall be to maintain and enhance the Harbor District as a place to do business by:

- Supporting the viability of businesses in the District by retaining existing businesses (including those that engage in industrial and manufacturing activities), and marketing the District as a place for new businesses to locate and thrive;
- Creating an appealing, attractive environment for employees and customers;

- Ensuring that District business and property owners have an active role in redevelopment and planning activities in the area;
- Identifying and advocating for needed improvements in infrastructure and public spaces.

B. Proposed Activities - Year Five

Year five activities to be undertaken by the district will include:

- Continue to engage District business and property owners in the implementation of the Harbor District Water and Land Use Plan (WaLUP).
- Provide seed funds for catalytic projects to help spur investments in the area. Possible projects include an “In-Stream Trash Collector”, Riverwalk planning and design, and other projects identified in the WaLUP.
- Support ongoing maintenance for Harbor View Plaza, the Harbor District’s first waterfront park constructed in 2018/19, located at the east end of Greenfield Avenue.
- Implement projects identified during the Harbor District Branding & Identity planning process including two murals on the north end of the BID, identity signage at least four gateways into the BID, and under bridge improvements along East National Avenue.
- Deploying a program to assist business and property owners interested in making physical improvements to their properties. Improvements could include green infrastructure, street facade improvements, signage, sustainable design improvements, or others.
- Hosting meetings and other events to provide venues for District business and property owners to meet and discuss issues important to the area. Attend and/or participate in other events related to or impacting the Harbor District for the purpose of advocacy.
- Administrative activities, including, but not limited to, securing an independent certified audit or financial review, securing insurance for the activities of the District’s Board, and complying with the open meetings law, Subchapter V of Chapter 19 of the Wisconsin Statutes.

C. Proposed Income and Expenditures

Revenue

Proposed Income from Assessments	\$102,000
Funds Carried Over from Prior Years	\$215,694
Total Revenue	\$317,694

Expenditures

Contract with Harbor District, Inc. for Project Management, Outreach, and BID Administration and Mailings	\$25,000
Property & Business Owner Support	
Property Improvement Grant Program	\$25,000
No-Interest Loan Program	\$5,000
Branding, Public Spaces, & Destinations	
Murals	\$30,000
Manufacture & Install of Identity Signage	\$75,000
Bridge Underlighting & Improvements	\$75,000
Harbor View Plaza Maintenance and Operations	\$10,000
Marketing, Events, and Outreach	
Harbor Fest Sponsorship	\$5,000
General Marketing	\$2,500
Events and Outreach	\$3,000
BID 51 Open for Business Marketing Plan	\$5,000
Administrative	
Rent	\$2,500
Audit/Financial Review & Financial Records	\$4,140
Insurance	\$1,000

Total Expenditures	\$268,140
Net Balance/Reserves	\$49,554

D. Financing Method

It is proposed that \$102,000 shall be raised through BID assessments in Milwaukee (see appendix E). The BID Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds actually available.

IV. METHOD OF ASSESSMENT

A. Assessment Rate and Method

The principle behind the assessment methodology is that each property should contribute to the BID in proportion to the benefit derived from the BID. After consideration of other assessment methods, it was determined that assessed value of a property was the characteristic most directly related to the potential benefit provided by the BID. Therefore, a fixed assessment rate of \$1.00 per \$1,000 assessed value of the property was selected as the basic assessment methodology for this BID.

However, maintaining an equitable relationship between the BID assessment and the expected benefits requires an adjustment to the basic assessment method. To prevent the disproportional assessment of a small number of high value properties, a maximum assessment of \$3,000 per parcel will be applied, and a minimum assessment of \$100 per parcel will be applied.

In order to incentivize property owners to make new investments in their properties and achieve long-term improvements in the area, the owner of a property may request, and the BID Board may grant, a freeze of a property’s BID assessment at the current year’s rate for the subsequent two years. Requests must be received before the filing of the annual Operating Plan, and will only be granted one time per owner per property.

To prevent disproportionate assessment of businesses that are already actively contributing to improvements in this area via BID 35, parcels within the footprint of BID 35 will be assessed as follows: If the assessment for BID 35 is less than the assessment for BID 51 based on the formula described above, they will be assessed only for the difference, subject to the minimum assessment of \$100. If the assessment for BID 35 is greater than the assessment for this BID, they will pay only the minimum assessment of \$100 to BID 51.

As of June, 2020, the property in the proposed district had a total assessed value of more than \$178 million. This plan proposed to assess the property in the district at a rate of \$1.00 per

\$1,000.00 of assessed value, subject to the maximum and minimum assessments, for the purposes of the BID.

Appendix E shows the projected BID assessment for each property included in the district.

B. Excluded and Exempt Property

The BID law requires explicit consideration of certain classes of property. In compliance with the law the following statements are provided.

1. State Statute 66.1109(1)(f)1m: The district will contain property used exclusively for manufacturing purposes, as well as properties used in part for manufacturing. These properties will be assessed according to the method set forth in this plan because it is assumed that they will benefit from development in the district.
2. State Statute 66.1109(5)(a): Real property used exclusively for residential purposes and real property that is exempted from general property taxes under s. 70.11 may not be specially assessed for purposes of this section.
3. State Statute 66.1109(5)(d): If real property that is specially assessed as authorized under this section is of mixed use such that part of the real property is exempted from general property taxes under s. 70.11 or is residential, or both, and part of the real property is taxable, the municipality may specially assess as authorized under this section only the percentage of the real property that is not tax-exempt or residential. This paragraph applies only to a 1st class city.
4. The district may contain parcels exempt from general real estate taxes. These parcels will not be subject to a BID assessment.

V. BID BOARD

The Board's primary responsibility will be implementation of this Operating Plan.

This will require the Board to negotiate with providers of services and materials to carry out the Plan; to enter into various contracts; to monitor development activity; to periodically revise the Operating Plan and to ensure district compliance with the provisions of applicable statutes and regulations.

The BID Board is structured and operates as follows:

- Board size – Seven Members

- Composition – A majority of members shall be owners or occupants of property within the District. Board composition shall reflect the geographic area and mix of business types and land uses present within the BID.
- Officers - The Board shall elect a Chairperson, Secretary, and Treasurer from among its members.
- Term - Appointments to the Board shall be for a period of three years, except that in the initial year, three members shall be appointed for three years, two members for two years, and two members for one year.
- Compensation - None
- Meetings - All meetings of the Board shall be governed by the Wisconsin Open Meetings Law. The Board shall meet regularly, at least twice a year. The Board shall draft and adopt by-laws in Operating Year 1 to govern the conduct of its meetings.
- Record Keeping - Files and records of the Board's affairs shall be kept pursuant to public records requirements.
- Staffing - The Board may employ staff and/or contract for staffing services pursuant to this plan and subsequent modifications thereof.

VI. RELATIONSHIP TO MILWAUKEE COMPREHENSIVE PLAN AND ORDERLY DEVELOPMENT OF THE CITY

A. City Plans

In February 1978, the Common Council of the City of Milwaukee adopted a Preservation Policy as the policy basis for its Comprehensive Plan and as a guide for its planning, programming and budgeting decisions. The Common Council reaffirmed and expanded the Preservation Policy in Resolution File Number 881978, adopted January 24, 1989.

The Preservation Policy emphasizes maintaining Milwaukee's present housing, jobs, neighborhoods, services, and tax base rather than passively accepting loss of jobs and population, or emphasizing massive new development. In its January 1989 reaffirmation of the policy, the Common Council gave new emphasis to forging new public and private partnerships as a means to accomplish preservation.

The district is a means of formalizing and funding the public-private partnership between the City and property owners in the Harbor District business area and for furthering preservation

and redevelopment in this portion of the City of Milwaukee. Therefore, it is fully consistent with the City's Comprehensive Plan and Preservation Policy.

B. City Role in District Operation

The City of Milwaukee has committed to helping private property owners in the district promote its development. To this end, the City expected to play a significant role in the creation of the Business Improvement district and in the implementation of the Operating Plan. In particular, the City will:

- Provide technical assistance to the proponents of the district through adoption of the Plan, and provide assistance as appropriate thereafter.
- Monitor and, when appropriate, apply for outside funds that could be used in support of the district.
- Collect assessments, maintain in a segregated account, and disburse the monies of the district.
- Receive annual audits as required per sec. 66.1109 (3) (c) of the BID law.
- Provide the board, through the Tax Commissioner's Office on or before June 30th of each Plan year, with the official City records and the assessed value of each tax key number within the District, as of January 1st of that Plan year, for purposes of calculating the BID assessment.
- Encourage the State of Wisconsin, Milwaukee County and other units of government to support the activities of the district.

VII. PLAN APPROVAL PROCESS

A. Public Review Process

The Wisconsin Business Improvement District law establishes a specific process for reviewing and approving BID operating plans. Pursuant to the statutory requirements, the following process will be followed:

- The Community and Economic Development Committee of the Common Council will review the proposed BID Plan at a public meeting and will make a recommendation to the full Common Council.
- The Common Council will act on the proposed BID Plan.
- If adopted by the Common Council, the proposed BID Plan is sent to the Mayor for his approval.

VII. FUTURE YEAR OPERATING PLANS

A. Phased Development

It is anticipated that the BID will continue to revise and develop the Operating Plan annually, in response to changing development needs and opportunities in the district, in accordance with the purposes and objectives defined in this initial Operating Plan.

Section 66.1109 (3) (a) of the BID law requires the board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms the complete development program, it focuses upon current year activities, and information on specific assessed values, budget amounts and assessment amounts are based on previous year conditions. Greater detail about subsequent years' activities will be provided in the required annual Plan updates.

In later years, the BID Operating Plan will continue to apply the assessment formula, as adjusted, to raise funds to meet the next annual budget. However, the method of assessing shall not be materially altered, except with the approval of the City of Milwaukee.

B. Amendment, Severability and Expansion

This BID has been created under authority of Section 66.1109 of the Statutes of the State of Wisconsin. Should any court find any portion of this Statute invalid or unconstitutional its decision will not invalidate or terminate the BID and this BID Plan shall be amended to conform to the law without need of reestablishment.

Should the legislature amend the Statute to narrow or broaden the process of a BID so as to exclude or include as assessable properties a certain class or classes of properties, then this BID Plan may be amended by the Common Council of the City of Milwaukee as and when it conducts its annual Operating Plan approval and without necessity to undertake any other act. This is specifically authorized under Section 66.1109(3)(b).

C. Termination of the BID

A municipality shall terminate a business improvement district if the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, file a petition with the planning commission requesting termination of the business improvement district, subject to all of the following conditions:

A petition may not be filed under this subsection earlier than one year after the date the municipality first adopts the operating plan for the business improvement district.

On and after the date a petition is filed under this subsection, neither the board nor the municipality may enter into any new obligations by contract or otherwise to implement the operating plan until the expiration of 30 days after the date of hearing under par. (c) and unless the business improvement district is not terminated under par. (e).

Within 30 days after the filing of a petition under this subsection, the planning commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice together with a copy of the operating plan and a copy of a detail map showing the boundaries of the business improvement district shall be sent by certified mail to all owners of real property within the business improvement district. The notice shall state the boundaries of the business improvement district and shall indicate that copies of the operating plan are available from the planning commission on request.

Within 30 days after the date of hearing under par. (c), every owner of property assessed under the operating plan may send written notice to the planning commission indicating, if the owner signed a petition under this subsection, that the owner retracts the owner's request to terminate the business improvement district, or, if the owner did not sign the petition, that the owner requests termination of the business improvement district.

If after the expiration of 30 days after the date of hearing under par. (c), by petition under this subsection or subsequent notification under par. (d), and after subtracting any retractions under par. (d), the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, have requested the termination of the business improvement district, the municipality shall terminate the business improvement district on the date that the obligation with the latest completion date entered into to implement the operating plan expires.

APPENDICES

APPENDIX A: MAP OF DISTRICT BOUNDARIES

APPENDIX B: CURRENT BOARD ROSTER

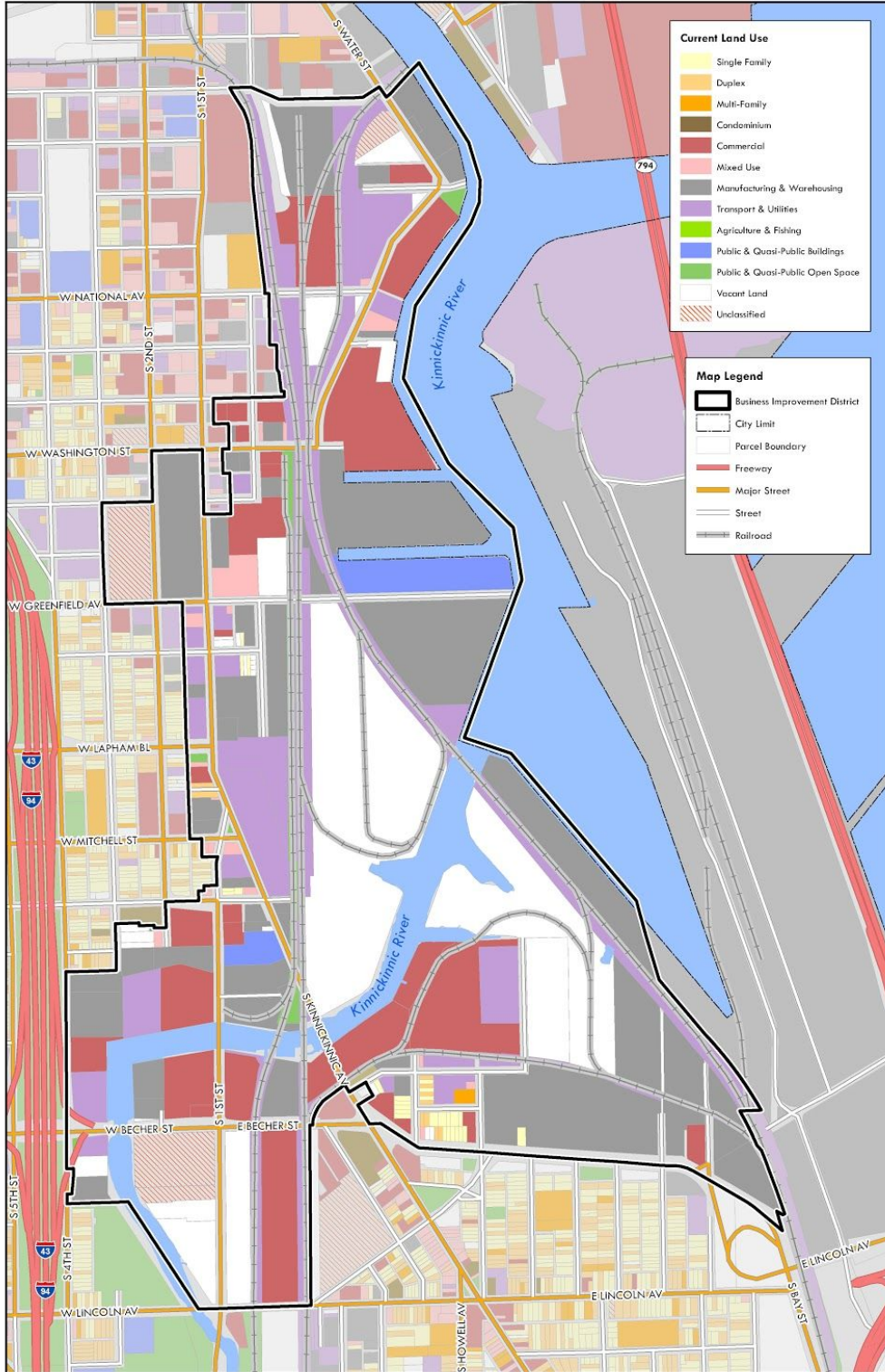
APPENDIX C: STATE STATUTE ENABLING CREATION OF BIDS

APPENDIX D: LIST OF DISTRICT TAX KEYS AND ASSESSMENTS

APPENDIX A: MAP OF DISTRICT BOUNDARIES

BID NO. 51: THE HARBOR DISTRICT CITY OF MILWAUKEE

Prepared by the Dept. of City Development Planning Division, 7/6/2017
Sources: City of Milwaukee Information Technology Management Division;
Dept. of City Development Commercial Corridors Team



APPENDIX B: CURRENT BOARD ROSTER

NAME and TITLE	EMAIL	PROPERTY OWNED or REPRESENTING	TERM
Michael DeMichele	michael@demichele.com	125 E Greenfield Ave (OWNER)	Mar 2020 - Mar 2023
Eric Leaf	leafe@uwm.edu	600 E. Greenfield Ave. (OWNER)	Mar 2020 - Mar 2023
John Rossetto	john@transfermke.com	101 W Mitchell St (OWNER)	Oct 2017 - Oct 2020
David Stegeman, Chair	dstegeman@michels.us	2011 S 1st St (OWNER)	Mar 2019 - Mar 2022
Summer Strand, Secretary	sstrand@crmanagement.com	301 E Washington St (OWNER)	Jun 2018 - Jun 2021
Joshua Weber, Treasurer	joshw@vmarchese.com	600 S Jake Marchese Way (OWNER)	Mar 2020 - Mar 2023

APPENDIX C: STATE STATUTE ENABLING CREATION OF BIDS

66.1109 Business improvement districts.

(1) In this section:

(a) "Board" means a business improvement district board appointed under sub. [\(3\)\(a\)](#).

(b) "Business improvement district" means an area within a municipality consisting of contiguous parcels and may include railroad rights-of-way, rivers, or highways continuously bounded by the parcels on at least one side, and shall include parcels that are contiguous to the district but that were not included in the original or amended boundaries of the district because the parcels were tax-exempt when the boundaries were determined and such parcels became taxable after the original or amended boundaries of the district were determined.

(c) "Chief executive officer" means a mayor, city manager, village president or town chairperson.

(d) "Local legislative body" means a common council, village board of trustees or town board of supervisors.

(e) "Municipality" means a city, village or town.

(f) "Operating plan" means a plan adopted or amended under this section for the development, redevelopment, maintenance, operation and promotion of a business improvement district, including all of the following:

1. The special assessment method applicable to the business improvement district.
 - 1m. Whether real property used exclusively for manufacturing purposes will be specially assessed.
2. The kind, number and location of all proposed expenditures within the business improvement district.
3. A description of the methods of financing all estimated expenditures and the time when related costs will be incurred.
4. A description of how the creation of the business improvement district promotes the orderly development of the municipality, including its relationship to any municipal master plan.
5. A legal opinion that subds. [1.](#) to [4.](#) have been complied with.

(g) "Planning commission" means a plan commission under s. [62.23](#), or if none a board of public land commissioners, or if none a planning committee of the local legislative body.

(2) A municipality may create a business improvement district and adopt its operating plan if all of the following are met:

(a) An owner of real property used for commercial purposes and located in the proposed business improvement district designated under par. [\(b\)](#) has petitioned the municipality for creation of a business improvement district.

(b) The planning commission has designated a proposed business improvement district and adopted its proposed initial operating plan.

(c) At least 30 days before creation of the business improvement district and adoption of its initial operating plan by the municipality, the planning commission has held a public hearing on its proposed business improvement district and initial operating plan. Notice of the hearing shall be published as a class 2 notice under ch. [985](#). Before publication, a copy of the notice together with a copy of the proposed initial operating plan and a copy of a detail map showing the boundaries of the proposed business improvement district shall be sent by certified mail to all owners of real property within the proposed business improvement district. The notice shall state the boundaries of the proposed business improvement district and shall indicate that copies of the proposed initial operating plan are available from the planning commission on request.

(d) Within 30 days after the hearing under par. [\(c\)](#), the owners of property to be assessed under the proposed initial operating plan having a valuation equal to more than 40 percent of the valuation of all property to be assessed under the proposed initial operating plan, using the method of valuation specified in the proposed initial operating plan, or the owners of property to be assessed under the proposed initial operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property to be assessed under the proposed initial operating plan, have not filed a petition with the planning commission protesting the proposed business improvement district or its proposed initial operating plan.

(e) The local legislative body has voted to adopt the proposed initial operating plan for the municipality.

(2m) A municipality may annex territory to an existing business improvement district if all of the following are met:

(a) An owner of real property used for commercial purposes and located in the territory proposed to be annexed has petitioned the municipality for annexation.

(b) The planning commission has approved the annexation.

(c) At least 30 days before annexation of the territory, the planning commission has held a public hearing on the proposed annexation. Notice of the hearing shall be published as a class 2 notice under ch. [985](#). Before publication, a copy of the notice together with a copy of a detail map showing the boundaries of the territory proposed to be annexed to the business improvement district shall be sent by certified mail to all owners of real property within the territory proposed to be annexed. The notice shall state the boundaries of the territory proposed to be annexed.

(d) Within 30 days after the hearing under par. [\(c\)](#), the owners of property in the territory to be annexed that would be assessed under the operating plan having a valuation equal to more than 40 percent of the valuation of all property in the territory to be annexed that would be assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property in the territory to be annexed that would be assessed under the operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property in the territory to be annexed that would be assessed under the operating plan, have not filed a petition with the planning commission protesting the annexation.

(3)

(a) The chief executive officer shall appoint members to a business improvement district board to implement the operating plan. Board members shall be confirmed by the local legislative body and shall serve staggered terms designated by the local legislative body. The board shall have at least 5 members. A majority of board members shall own or occupy real property in the business improvement district.

(b) The board shall annually consider and may make changes to the operating plan, which may include termination of the plan, for its business improvement district. The board shall then submit the operating plan to the local legislative body for its approval. If the local legislative body disapproves the operating plan, the board shall consider and may make changes to the operating plan and may continue to resubmit the operating plan until local legislative body approval is obtained. Any change to the special assessment method applicable to the business improvement district shall be approved by the local legislative body.

(c) The board shall prepare and make available to the public annual reports describing the current status of the business improvement district, including expenditures and revenues. The report shall include one of the following:

1. If the cash balance in the segregated account described under sub. [\(4\)](#) equaled or exceeded \$300,000 at any time during the period covered by the report, the municipality shall obtain an independent certified audit of the implementation of the operating plan.

2. If the cash balance in the segregated account described under sub. [\(4\)](#) was less than \$300,000 at all times during the period covered by the report, the municipality shall obtain a reviewed financial statement for the most recently completed fiscal year. The statement shall be prepared in accordance with generally accepted accounting principles and include a review of the financial statement by an independent certified public accountant.

(cg) For calendar years beginning after December 31, 2018, the dollar amount at which a municipality is required to obtain an independent certified audit under par. [\(c\) 1.](#) and the dollar amount at which a municipality is required to obtain a reviewed financial statement under par. [\(c\) 2.](#) shall be increased each year by a percentage equal to the percentage change between the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August of the previous year and the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August 2017, as determined by the federal department of labor. Each amount that is revised under this paragraph shall be rounded to the nearest multiple of \$10 if the revised amount is not a multiple of \$10 or, if the revised amount is a multiple of \$5, such an amount shall be increased to the next higher multiple of \$10.

(cr) The municipality shall obtain an additional independent certified audit of the implementation of the operating plan upon termination of the business improvement district.

(d) Either the board or the municipality, as specified in the operating plan as adopted, or amended and approved under this section, has all powers necessary or convenient to implement the operating plan, including the power to contract.

(4) All special assessments received from a business improvement district and all other appropriations by the municipality or other moneys received for the benefit of the business improvement district shall be placed in a segregated account in the municipal treasury. No disbursements from the account may be made except to reimburse the municipality for appropriations other than special assessments, to pay the costs of audits and reviewed financial statements required under sub. [\(3\) \(c\)](#), or on order of the board for the purpose of implementing the operating plan. On termination of the business improvement district by the municipality, all moneys collected by special assessment remaining in the account shall be disbursed to the owners of specially assessed property in the business improvement district, in the same proportion as the last collected special assessment.

(4g) A municipality may convert a business improvement district under this section into a neighborhood improvement district under s. [66.1110](#) if an owner of real property that is subject to general real estate taxes, that is used exclusively for residential purposes, and that is located in the business improvement district petitions the municipality for the conversion. If the municipality approves the petition, the board shall consider and may make changes to the operating plan under s. [66.1110 \(4\) \(b\)](#).

(4m) A municipality shall terminate a business improvement district if the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, file a petition with the planning commission requesting termination of the business improvement district, subject to all of the following conditions:

(a) A petition may not be filed under this subsection earlier than one year after the date the municipality first adopts the operating plan for the business improvement district.

(b) On and after the date a petition is filed under this subsection, neither the board nor the municipality may enter into any new obligations by contract or otherwise to implement the operating plan until the expiration of 30 days after the date of hearing under par. [\(c\)](#) and unless the business improvement district is not terminated under par. [\(e\)](#).

(c) Within 30 days after the filing of a petition under this subsection, the planning commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a class 2 notice under ch. [985](#). Before publication, a copy of the notice together with a copy of the operating plan and a copy of a detail map showing the boundaries of the business improvement district shall be sent by certified mail to all owners of real property within the business improvement district. The notice shall state the boundaries of the business improvement district and shall indicate that copies of the operating plan are available from the planning commission on request.

(d) Within 30 days after the date of hearing under par. [\(c\)](#), every owner of property assessed under the operating plan may send written notice to the planning commission indicating, if the owner signed a petition under this subsection, that the owner retracts the owner's request to terminate the business improvement district, or, if the owner did not sign the petition, that the owner requests termination of the business improvement district.

(e) If after the expiration of 30 days after the date of hearing under par. [\(c\)](#), by petition under this subsection or subsequent notification under par. [\(d\)](#), and after subtracting any retractions under par. [\(d\)](#), the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, have requested the termination of the business improvement district, the municipality shall terminate the business

improvement district on the date that the obligation with the latest completion date entered into to implement the operating plan expires.

(5)

(a) Real property used exclusively for residential purposes and real property that is exempted from general property taxes under s. [70.11](#) may not be specially assessed for purposes of this section.

(b) A municipality may terminate a business improvement district at any time.

(c) This section does not limit the power of a municipality under other law to regulate the use of or specially assess real property.

(d) If real property that is specially assessed as authorized under this section is of mixed use such that part of the real property is exempted from general property taxes under s. [70.11](#) or is residential, or both, and part of the real property is taxable, the municipality may specially assess as authorized under this section only the percentage of the real property that is not tax-exempt or residential. This paragraph applies only to a 1st class city.

APPENDIX D: LIST OF DISTRICT TAX KEYS AND ASSESSMENTS

Taxkey	Address	Class	BID Assessable Value (\$)	BID 51 Assessment (\$)
4280527100	210 E NATIONAL AV	Exempt	0	0
4280561100	303 E FLORIDA ST	Manufacturing	4379600	3000
4280571000	207 E FLORIDA ST	Local Commercial	25800	100
4280572000	600 S JAKE MARCHESE WA	Manufacturing	4495400	3000
4290016120	623 S WATER ST	Local Commercial	29500	100
4290021100	531 S WATER ST	Special Mercantile	406300	406.3
4290022000	408 E BRUCE ST	Special Mercantile	307600	307.6
4290033100	412 S WATER ST	Special Mercantile	1594000	1594
4290034000	500 S WATER ST	Exempt	0	0
4290036000	546 S WATER ST	Manufacturing	1087100	1087.1
4290037000	600-602 S WATER ST	Exempt	0	0
4290040100	700 S WATER ST	Local Commercial	2987000	2987
4290052000	748 S WATER ST	Local Commercial	661700	661.7
4290053000	820 S WATER ST	Local Commercial	971616	971.616
4290054000	830 S WATER ST	Manufacturing	386800	386.8
4290055111	910-R S WATER ST	Exempt	0	0
4290057110	341 E NATIONAL AV	Exempt	0	0
4290059111	900-954 S WATER ST	Manufacturing	2536400	2536.4
4290063000	347 E NATIONAL AV	Exempt	0	0
4290064111	413 S WATER ST	Exempt	0	0
4290067000	354 E NATIONAL AV	Local Commercial	186200	186.2
4290068000	347-ADJ E NATIONAL AV	Exempt	0	0
4290091000	343 E FLORIDA ST	Special Mercantile	207100	207.1
4290411000	639 S WATER ST	Exempt	0	0
4290441000	435 S WATER ST	Exempt	0	0
4290442000	503 S WATER ST	Local Commercial	491800	491.8
4300001000	317 E NATIONAL AV	Local Commercial	1023049	1023.049
4309994000	310 E GREENFIELD AV	Exempt	0	0

4309996000	600 E GREENFIELD AV	Exempt	0	0
4309997100	302 E GREENFIELD AV	Local Commercial	103000	103
4309998000	301 E WASHINGTON ST	Special Mercantile	11644300	3000
4310101100	128-138 E WASHINGTON ST	Local Commercial	109700	109.7
4310103000	122-124 E WASHINGTON ST	Local Commercial	354800	354.8
4310257000	135 E WASHINGTON ST	Manufacturing	354300	354.3
4310258100	127 E WASHINGTON ST	Manufacturing	374800	374.8
4310271100	120 E SCOTT ST	Manufacturing	93400	100
4310271200	126 E SCOTT ST	Exempt	0	0
4310281113	1201-1251 S 2ND ST	Manufacturing	9623800	3000
4310429100	136 W GREENFIELD AV	Manufacturing	6586200	3000
4310501100	1132 S BARCLAY ST	Local Commercial	564300	564.3
4310502100	1120 S BARCLAY ST	Manufacturing	951500	951.5
4310503100	1100 S BARCLAY ST	Local Commercial	246800	246.8
4310801100	221 E MINERAL ST	Exempt	0	0
4310802000	221-ADJ E MINERAL ST	Exempt	0	0
4310805100	125-139 E MINERAL ST	Local Commercial	217845	217.845
4310808100	111-117 E MINERAL ST	Local Commercial	204800	204.8
4310972100	227 E NATIONAL AV	Local Commercial	265000	265
4310973100	906-R S BARCLAY ST	Exempt	0	0
4310974100	212-ADJ E MINERAL ST	Exempt	0	0
4310978110	233 E NATIONAL AV	Exempt	0	0
4310979000	215 E NATIONAL AV	Exempt	0	0
4311123100	228 E NATIONAL AV	Local Commercial	533300	533.3
4311261100	1006 S BARCLAY ST	Local Commercial	932400	932.4
4311301000	135- E SCOTT ST	Special Mercantile	6547900	3000
4311303000	1320- S 1ST ST	Mercantile Apartments	2979264	2979.264
4311304000	200 E GREENFIELD AV	Exempt	0	0
4311331000	1212-1278 S 1ST ST	Local Commercial	964400	964.4
4311332000	1288 S 1ST ST	Local Commercial	187700	187.7
4319989110	224- E GREENFIELD AV	Exempt	0	0

4319990100	230-ADJ E GREENFIELD AV	Exempt	0	0
4319991000	247-ADJ E WASHINGTON ST	Exempt	0	0
4319992000	238-244 E WASHINGTON ST	Exempt	0	0
4319993000	228-236 E WASHINGTON ST	Exempt	0	0
4319994100	224 E WASHINGTON ST	Local Commercial	78676	100
4319995110	204-216 E WASHINGTON ST	Local Commercial	646500	646.5
4319999100	200 E WASHINGTON ST	Local Commercial	282200	282.2
4620034110	1613 S 1ST ST	Exempt	0	0
4620035000	1617-1619 S 1ST ST	Local Commercial	152304	152.304
4620041112	1618 S 1ST ST	Special Mercantile	1798600	1798.6
4620161100	124 W MITCHELL ST	Local Commercial	370800	370.8
4620167110	1669 S 1ST ST	Special Mercantile	828300	828.3
4620169000	1641-1651 S 1ST ST	Mercantile Apartments	0	0
4620170100	1635 S 1ST ST	Special Mercantile	410500	410.5
4620326110	1435 S 1ST ST	Manufacturing	140200	140.2
4620331100	1407 S 1ST ST	Local Commercial	189516	189.516
4620332110	107 W GREENFIELD AV	Manufacturing	60900	100
4620333000	117 E GREENFIELD AV	Local Commercial	93750	100
4620334100	1410 S 1ST ST	Manufacturing	165100	165.1
4620337000	1428 S 1ST ST	Local Commercial	161400	161.4
4620338000	1430-1432 S 1ST ST	Local Commercial	0	100
4620339000	1434-1438 S 1ST ST	Local Commercial	0	100
4620340000	122 E ORCHARD ST	Local Commercial	0	100
4620341000	128 E ORCHARD ST	Residential	0	0
4620347100	125 E GREENFIELD AV	Local Commercial	0	100
4620348100	1500 S BARCLAY ST	Manufacturing	1145500	1145.5
4620349100	225 E GREENFIELD AV	Exempt	0	0
4620350113	225 E GREENFIELD AV	Exempt	0	0
4620352100	1500 S 1ST ST	Special Mercantile	239600	239.6
4620355000	1515 S BARCLAY ST	Exempt	0	0
4620356000	1511 S BARCLAY ST	Residential	0	0

4620357000	1507 S BARCLAY ST	Residential	0	0
4620358000	137 E ORCHARD ST	Local Commercial	12500	100
4620359000	133 E ORCHARD ST	Residential	0	0
4620360000	129 E ORCHARD ST	Local Commercial	30000	100
4620361000	127 E ORCHARD ST	Residential	0	0
4620376110	1531 S 1ST ST	Local Commercial	188700	188.7
4620380110	1511-1525 S 1ST ST	Manufacturing	212600	212.6
4620501000	101-111 E MITCHELL ST	Local Commercial	298721	298.721
4620502000	1715-1733 S KINNICKINNIC AV	Exempt	0	0
4620503000	1685 S KINNICKINNIC AV	Exempt	0	0
4620803100	1734 S 1ST ST	Manufacturing	791200	791.2
4620806000	1753 S KINNICKINNIC AV	Local Commercial	286306	286.306
4620807000	112 E MAPLE ST	Residential	0	0
4620808000	1746 S 1ST ST	Residential	0	0
4620809000	1748 S 1ST ST	Residential	0	0
4620816000	1743 S 1ST ST	Local Commercial	61650	100
4620818000	100-104 W MAPLE ST	Local Commercial	64296	100
4621013100	1803-1817 S KINNICKINNIC AV	Local Commercial	246300	246.3
4621017110	1800 S 1ST ST	Local Commercial	227200	227.2
4621019000	1804-1814 S KINNICKINNIC AV	Local Commercial	268026	268.026
4621020100	1820 S KINNICKINNIC AV	Local Commercial	261000	261
4621204110	1545-1563 S 1ST ST	Manufacturing	396300	396.3
4621227111	1570-1574 S 1ST ST	Special Mercantile	2879900	2879.9
4621228112	1526-1556 S 1ST ST	Special Mercantile	2661700	2661.7
4621401110	1710-1716 S KINNICKINNIC AV	Exempt	0	0
4621501100	1870-R S KINNICKINNIC AV	Exempt	0	0
4621502100	1823-1825 S KINNICKINNIC AV	Local Commercial	438300	438.3
4621503000	1827--A S KINNICKINNIC AV	Local Commercial	23000	100
4621510100	1820 S 1ST ST	Local Commercial	425500	425.5
4621514110	1809-1839 S 1ST ST	Local Commercial	657400	657.4
4621517000	1835-1839 S 2ND ST	Local Commercial	140400	140.4

4621611000	1836 S 3RD ST	Local Commercial	39400	100
4621612000	1828 S 3RD ST	Local Commercial	76400	100
4621613000	1818 S 3RD ST	Local Commercial	49900	100
4621614000	1823 S 2ND ST	Local Commercial	40300	100
4621761000	101-113 W MITCHELL ST	Local Commercial	206379	206.379
4621781000	125 E GREENFIELD AV	Local Commercial	439000	439
4621782000	122 E ORCHARD ST	Local Commercial	168800	168.8
4621783000	1434-1438 S 1ST ST	Local Commercial	84000	100
4639988110	401-ADJ E GREENFIELD AV	Exempt	0	0
4639992000	632-R E BAY ST	Exempt	0	0
4639993100	301 E GREENFIELD AV	Exempt	0	0
4639994000	401-R E GREENFIELD AV	Local Commercial	173500	173.5
4639995100	401 E GREENFIELD AV	Exempt	0	0
4639995200	311 E GREENFIELD AV	Local Commercial	3499500	3000
4639996210	960 E BAY ST	Special Mercantile	1389200	1389.2
4650033100	2042 S LENOX ST	Exempt	0	0
4650034000	822-836 E BAY ST	Special Mercantile	500000	500
4650041112	802 E BAY ST	Special Mercantile	2758600	2758.6
4650107111	2024 S LENOX ST	Manufacturing	601600	601.6
4650108100	2074 S LENOX ST	Manufacturing	281800	281.8
4650109112	2100 S BAY ST	Manufacturing	1191000	1191
4650113100	2042-R S LENOX ST	Exempt	0	0
4659994000	1944 S ALDRICH ST	Exempt	0	0
4659995000	2022 S ALDRICH ST	Exempt	0	0
4659999110	2021 S LENOX ST	Manufacturing	744300	744.3
4659999210	2022-ADJ S ALDRICH ST	Exempt	0	0
4660101110	1940-ADJ S HILBERT ST	Exempt	0	0
4660104000	2013 S ALLIS ST	Residential	0	0
4660106112	385 E STEWART ST	Special Mercantile	90100	100
4660109000	2000-2002 S HILBERT ST	Residential	0	0
4660110000	2004 S HILBERT ST	Residential	0	0

4660111000	2008 S HILBERT ST	Residential	0	0
4660112000	2012 S HILBERT ST	Residential	0	0
4660113000	2016 S HILBERT ST	Residential	0	0
4660114000	2020 S HILBERT ST	Residential	0	0
4660115000	2024-2026 S HILBERT ST	Residential	0	0
4660120000	380-396 E BECHER ST	Mercantile Apartments	0	0
4660121000	384-390 E BAY ST	Local Commercial	182055	182.055
4660122000	385 E BECHER ST	Residential	0	0
4660123000	379 E BECHER ST	Residential	0	0
4660124000	375 E BECHER ST	Residential	0	0
4660125100	371 E BECHER ST	Residential	0	0
4660128100	361 E BECHER ST	Residential	0	0
4660129000	357-359 E BECHER ST	Residential	0	0
4660130000	353 E BECHER ST	Residential	0	0
4660131000	338-340 E BAY ST	Local Commercial	175702	175.702
4660132000	342-344 E BAY ST	Local Commercial	19900	100
4660133000	346 E BAY ST	Local Commercial	30400	100
4660134000	350-352 E BAY ST	Residential	0	0
4660135000	354-356 E BAY ST	Residential	0	0
4660136000	360 E BAY ST	Residential	0	0
4660137000	364 E BAY ST	Residential	0	0
4660138000	368 E BAY ST	Residential	0	0
4660139000	372 E BAY ST	Residential	0	0
4660140000	374 E BAY ST	Exempt	0	0
4660141000	380 E BAY ST	Residential	0	0
4660201100	427 E STEWART ST	Manufacturing	3439900	3000
4660202111	432 E BAY ST	Residential	0	0
4661103000	1964-AD S KINNICKINNIC AV	Exempt	0	0
4661106100	2008 S KINNICKINNIC AV	Special Mercantile	3067000	3000
4661106200	344 E STEWART ST	Special Mercantile	124300	124.3
4661111000	2010-AD S KINNICKINNIC AV	Exempt	0	0

4661112100	329 E STEWART ST	Manufacturing	46800	100
4661115000	319 E STEWART ST	Residential	0	0
4661118110	300 E BAY ST	Local Commercial	332300	332.3
4661119000	315 E STEWART ST	Local Commercial	40000	100
4661123000	339-347 E STEWART ST	Manufacturing	342600	342.6
4661124000	2021 S HILBERT ST	Residential	0	0
4661125000	2027 S HILBERT ST	Residential	0	0
4661126000	2031 S HILBERT ST	Residential	0	0
4661127000	2035 S HILBERT ST	Residential	0	0
4661128000	2039 S HILBERT ST	Residential	0	0
4661129110	322 E BAY ST	Local Commercial	103000	103
4661136100	160 E LINCOLN AV	Exempt	0	0
4661155000	2005 S KINNICKINNIC AV	Local Commercial	179500	179.5
4661156000	2003-R S KINNICKINNIC AV	Exempt	0	0
4661157100	1941 S KINNICKINNIC AV	Exempt	0	0
4661163100	178 E BECHER ST	Exempt	0	0
4661522100	1955 S HILBERT ST	Special Mercantile	745700	745.7
4661601000	1982 S HILBERT ST	Special Mercantile	2482000	2482
4661602000	1919 S MARINA DR	Special Mercantile	476600	476.6
4661611000	316 E STEWART ST, Unit 1	Condominium	0	0
4661612000	316 E STEWART ST, Unit 2	Condominium	0	0
4661613000	316 E STEWART ST, Unit 3	Condominium	0	0
4661614000	316 E STEWART ST, Unit 4	Condominium	0	0
4661681000	352-354 E STEWART ST	Local Commercial	141696	141.696
4661682000	356-394 E STEWART ST	Local Commercial	95600	100
4661701000	401 E GREENFIELD AV	Exempt	0	0
4661702000	615 E GREENFIELD AV	Exempt	0	0
4668001000	1964 S KINNICKINNIC AV	Exempt	0	0
4669993000	516-R E BAY ST	Exempt	0	0
4669994000	422 E STEWART ST	Exempt	0	0
4669997111	1980 S MARINA DR	Exempt	0	0

4670101110	2018 S 1ST ST	Special Mercantile	4951000	3000
4670103100	138 E BECHER ST	Special Mercantile	479100	479.1
4670104111	2018-R S 1ST ST	Special Mercantile	264500	264.5
4670105000	138-ADJ E BECHER ST	Exempt	0	0
4670201000	147 E BECHER ST	Special Mercantile	583000	583
4670202000	123-127 E BECHER ST	Special Mercantile	0	100
4670203000	2252 S 1ST ST	Special Mercantile	704300	704.3
4671508110	1923-1939 S KINNICKINNIC AV	Exempt	0	0
4671521000	2112 S 4TH ST	Exempt	0	0
4671522000	2122 S 4TH ST	Exempt	0	0
4671541000	1901 S KINNICKINNIC AV	Exempt	0	0
4671551000	1919 S KINNICKINNIC AV	Manufacturing	1283300	1283.3
4671581000	1930 S 4TH ST	Local Commercial	760600	760.6
4671582000	1966 S 4TH ST	Special Mercantile	2621600	2621.6
4671583000	2000 S 4TH ST	Local Commercial	914000	914
4671591000	125 W BECHER ST	Special Mercantile	9422400	3000
4671601000	218 W BECHER ST, Unit 1	Local Commercial	1354800	1354.8
4671602000	218 W BECHER ST, Unit 2	Local Commercial	1625700	1625.7
4671603000	218 W BECHER ST, Unit 3	Local Commercial	677400	677.4
4671604000	218 W BECHER ST, Unit 4	Local Commercial	541900	541.9
4671605000	218 W BECHER ST, Unit 5	Local Commercial	541900	541.9
4671606000	218 W BECHER ST, Unit 6	Local Commercial	677400	677.4
4678001000	2000 S 1ST ST	Exempt	0	0
4679977100	2156 S 4TH ST	Local Commercial	2105600	2105.6
4679978200	333-ADJ W BECHER ST	Exempt	0	0
4679982100	2078 S 4TH ST	Local Commercial	1785740	1785.74
4679989113	1958-ADJ S 1ST ST	Exempt	0	0
4679990110	1958-1970 S 1ST ST	Mercantile Apartments	1600000	1600
4679992110	1906 S 3RD ST	Local Commercial	531300	531.3
4679992120	1905 S 1ST ST	Local Commercial	176560	176.56
4679992220	1933-R S 1ST ST	Special Mercantile	666300	666.3

4679992230	1933 S 1ST ST	Special Mercantile	1417115	1417.115
4679994111	2217 S 1ST ST	Special Mercantile	577900	577.9

Business Improvement District No. 51- Harbor District
Annual Report
September 2019 to August 2020

Overview

Business Improvement District No. 51 (BID 51) was formed in 2016 to maintain and enhance the Harbor District as a place to do business by:

- Supporting the viability of businesses in the District by retaining existing businesses (including those that engage in industrial and manufacturing activities), and marketing the District as a place for new businesses to locate and thrive;
- Creating an appealing, attractive environment for employees and customers;
- Ensuring that District business and property owners have an active role in redevelopment and planning activities in the area;
- Identifying and advocating for needed improvements in infrastructure and public spaces.

Financial Relationships w/ other entities (CDCs, non-profits, associations)

BID 51 contracts with Harbor District, Inc., a non-profit organization revitalizing the area around Milwaukee's harbor, for administrative services.

Assessed Property Values within the BID

- 2020 Assessed Value of All Properties - **\$178,620,634**
- 2020 Assessed Value of All BID Assessable Properties* - **\$157,577,334**
- 2019 Assessed Value of All Properties - **\$164,966,940**
- 2019 Assessed Value of All BID Assessable Properties* - **\$144,118,306**
- Amount and Percent Change in Assessed Value of All Properties - **\$13,653,694 or 8.3% increase**
- Amount and Percent Change in Assessed Value of All BID Assessable Properties - **\$13,459,028 or 9.3% increase**

The increase in assessed property values in the BID was primarily driven by adjusted assessments for several properties that have reinvested in existing buildings or that were recently acquired and are being prepared for new developments.

*This total excludes residential properties and residential portions of mixed-use properties.

BID Accomplishments

- BID 51 contributed \$20,000 towards the creation of the Harbor District Riverwalk Design Standards, completed in early 2020 and adopted by the Common Council in May 2020. The Design Standards include guidance on aesthetics, functionality, and public access, while also advising on new issues not previously addressed on Milwaukee's Riverwalk including stormwater management and both upland and aquatic habitat.
- Following the completion of the Harbor District Riverwalk Design Standards, BID 51 contracted with a local vendor to produce shop drawings for signage described in the Design Standards.
- Commissioned artist Justin Suarez to paint the 90-foot by 18-foot "Current Events" mural on a wall donated by Elementis Ltd., Inc. at 546 W. Water St. The mural highlights aquatic wildlife that have returned to Milwaukee's rivers including beaver, otter, belted kingfisher, largemouth bass, black-striped minnows, and salmon.
- In response to the impact of COVID-19, launched the "BID 51 Thank You To Essential Workers" program which purchased \$1,575 worth of gift certificates from BID 51 businesses to donate to community organizations and essential workers.
- Awarded 1 BID 51 Property Improvement Grant, with 2 grants in-process.
- Financially supported Harbor Fest 2019, which brought over 3,200 people to Harbor View Plaza along the waterfront at the east end of Greenfield Avenue.
- Hosted 2 BID 51 Open House events that attracted over 60 business and property owners from the District.
- Held 9 BID 51 board meetings.

Economic Development

- 2 new businesses opened within the BID 51 boundaries.
- Two large developments, Michels Corps.'s R1VER and Komatsu Mining's new North American Headquarters and Manufacturing Facility, are under construction. When complete they will total more than \$385 million in new investment in BID 51.

Marketing, Branding, & Outreach

- 119 earned media stories in a variety of outlets including the Milwaukee Journal Sentinel, the Milwaukee Business Journal, BizTimes, the Shepherd Express, WUWM Radio, WTMJ TV, CBS 58, Fox 6, Telemundo, and more.

For more information on BID 51, visit us online at harbordistrict.org/bid-51

**BUSINESS IMPROVEMENT DISTRICT #51
MILWAUKEE, WISCONSIN**

FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

BUSINESS IMPROVEMENT DISTRICT #51
MILWAUKEE, WISCONSIN

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KRAUSE & ASSOCIATES, S.C.

CERTIFIED PUBLIC ACCOUNTANT

1214 BRIDGE STREET
P.O. BOX 368
GRAFTON, WISCONSIN 53024

TELEPHONE: (262) 377-9988
FAX: (262) 377-9617

Independent Accountant's Review Report

Board of Directors
Business Improvement District #51
Milwaukee, Wisconsin

We have reviewed the accompanying financial statements of the Business Improvement District #51, which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, cash flows and functional expenses for the years then ended, and the related notes to financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

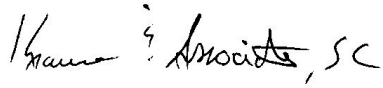
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Krause & Associates, SC". The signature is written in a cursive style with a small flourish at the end.

Krause & Associates, SC
Grafton, Wisconsin
September 28, 2020

BUSINESS IMPROVEMENT DISTRICT #51
 STATEMENTS OF FINANCIAL POSITION
 JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ <u>228,015</u>	\$ <u>173,670</u>
TOTAL ASSETS	\$ <u>228,015</u>	\$ <u>173,670</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Accounts payable	\$ <u>13,463</u>	\$ <u>682</u>
TOTAL LIABILITIES	13,463	682
NET ASSETS		
Without donor restrictions	<u>214,552</u>	<u>172,988</u>
TOTAL NET ASSETS	<u>214,552</u>	<u>172,988</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>228,015</u>	\$ <u>173,670</u>

The accompanying notes are an integral part of these financial statements.

BUSINESS IMPROVEMENT DISTRICT #51
 STATEMENTS OF ACTIVITIES
 FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>Without donor restrictions</u>	
	2020	2019
REVENUE		
City of Milwaukee assessment income	\$ 102,656	\$ 98,358
Total revenue	102,656	98,358
EXPENSES		
Program services	53,815	59,572
Supporting services:		
Management and general	7,277	7,904
Fundraising and development	-	-
Total expenses	61,092	67,476
Changes in net assets	41,564	30,882
Net assets, beginning of year	172,988	142,106
Net assets, at end of year	\$ 214,552	\$ 172,988

The accompanying notes are an integral part of these financial statements.

BUSINESS IMPROVEMENT DISTRICT #51
 STATEMENTS OF CASH FLOWS
 FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 41,564	\$ 30,882
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Increase (decrease) in accounts payable	<u>12,781</u>	<u>682</u>
Net cash provided by (used in) operating activities	<u>54,345</u>	<u>31,564</u>
Net increase (decrease) in cash and cash equivalents	54,345	31,564
Cash and cash equivalents at beginning of year	<u>173,670</u>	<u>142,106</u>
Cash and cash equivalents at end of year	<u>\$ 228,015</u>	<u>\$ 173,670</u>

Supplemental disclosure of cash flow information:

Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>
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The accompanying notes are an integral part of these financial statements.

BUSINESS IMPROVEMENT DISTRICT #51
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020		
	Program	Management and General	Total
Contract services	\$ 19,445	\$ 5,555	\$ 25,000
Branding and identity projects	8,800	-	8,800
Events and outreach	7,864	-	7,864
Harborwalk design and planning	-	-	-
Harbor View Plaza maintenance	7,706	-	7,706
Insurance	-	722	722
Office and other	-	-	-
Professional fees	-	1,000	1,000
Property improvement program	10,000	-	10,000
Total expenses	\$ 53,815	\$ 7,277	\$ 61,092

	2019		
	Program	Management and General	Total
Contract services	\$ 14,000	\$ 4,000	\$ 18,000
Branding and identity projects	25,572	-	25,572
Harborwalk design and planning	20,000	-	20,000
Insurance	-	722	722
Office and other	-	682	682
Professional fees	-	2,500	2,500
Total expenses	\$ 59,572	\$ 7,904	\$ 67,476

The accompanying notes are an integral part of these financial statements.

BUSINESS IMPROVEMENT DISTRICT #51
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Organization and business activity

The Business Improvement District #51 (BID) was created by the City of Milwaukee through resolution file No. 160664 in 2016. The primary purpose of the BID is to allow businesses within the district to develop, manage and promote their districts and to establish an assessment to fund these activities. The BID was organized for the purpose of revitalizing and enhancing the Harbor District business area surrounding Milwaukee's Inner Harbor. Business Improvement Districts are authorized by Wisconsin Statutes Section 66.1109.

2. Cash and cash equivalents

The BID considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

3. Net assets

The BID follows the accrual method of accounting wherein revenues and expenses are recorded in the period earned or incurred. Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

BUSINESS IMPROVEMENT DISTRICT #51
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2020 AND 2019

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3. Net assets – continued

The BID reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. As of June 30, 2020 and 2019, the BID has no net assets with donor restrictions.

4. Revenue and Revenue Recognition

Revenue is recognized from BID assessments when the services are provided. All services are transferred at a point in time. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. As of June 30, 2020 and 2019, the BID has no conditional contributions.

5. Harborwalk improvements

Harborwalk improvements are not capitalized; rather they are expensed as incurred as they are considered part of the City of Milwaukee's public infrastructure.

6. Donated services and in-kind contributions

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. The BID records donated professional services at the respective fair values of the services received.

BUSINESS IMPROVEMENT DISTRICT #51
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2020 AND 2019

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

7. Allocation of functional expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include professional services, office expenses, supplies, insurance, and other, which are allocated on the basis of estimates of time and effort.

8. Income taxes

The BID is exempt from income tax as an affiliate of a governmental unit pursuant to Section 501(a) of the Internal Revenue Code.

The BID evaluates its tax positions and assesses their uncertainty, if any, through review and application of various sources of tax authority including statutes, regulations, rulings, court cases and widely held administrative practices.

9. Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

10. New Accounting Pronouncement

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities* (ASU). The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The BID has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

11. Subsequent Events

Management has evaluated subsequent events for recognition and disclosure in the financial statements through September 28, 2020, which is the date that the financial statements were available to be issued. See Note F.

BUSINESS IMPROVEMENT DISTRICT #51
 NOTES TO FINANCIAL STATEMENTS - CONTINUED
 JUNE 30, 2020 AND 2019

B – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date of June 30, 2020 and 2019, comprise the following:

	2020	2019
Cash and cash equivalents	<u>\$ 228,015</u>	<u>\$ 173,670</u>

C – CONCENTRATION OF RISK

The BID, receives property assessment revenue from the City of Milwaukee. The BID’s operations rely on the availability of these funds. All of the BID’s revenue was from the City of Milwaukee for the years ended June 30, 2020 and 2019.

D – ASSESSMENT INCOME

In order to provide revenues to support the BID’s mission, the Common Council of the City of Milwaukee enforced an assessment on property located within a specified are of Milwaukee’s Inner Harbor. The assessment is calculated based on assessed values of the properties every fall. The assessment is levied on the district properties was \$1 per \$1,000 of assessed property value with a minimum of \$100 and a maximum assessment of \$3,000 per parcel. Certain properties within the district boundaries are also within the boundaries of another business improvement district. Those properties are assessed by the BID as follows:

- If the calculated assessment is greater than the assessment of the other district, the property is assessed the difference, subject to the \$100 minimum.
- If the calculated assessment is less than the assessment of the other district, the property is assessed the \$100 minimum.

E – RELATED PARTY TRANSACTIONS

The BID has an agreement with Harbor District, Inc. (HDI) for BID administration, project management, outreach and mailings as approved annually by the BID board. The BID transferred \$25,000 and \$18,000 to HDI as payment for the agreement during the years ended June 30, 2020 and 2019, respectively.

The BID also reimbursed HDI the following operating expenses during the year ended June 30, 2020 and 2019:

	2020	2019
Administrative and basic office	\$ -	\$ 443
Branding and identity projects	-	30
Events and outreach	6,250	-
Harbor View Plaza maintenance	<u>5,187</u>	<u>-</u>
Total	<u>\$ 11,437</u>	<u>\$ 473</u>

BUSINESS IMPROVEMENT DISTRICT #51
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2020 AND 2019

F – SUBSEQUENT EVENTS

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. As a result, economic uncertainties have arisen which are likely to negatively impact support and revenue. The COVID-19 outbreak in the United States has resulted in reduced activities, cancellation or postponement of events, as well as temporary closures where government mandated. At the current time, the BID is unable to quantify the potential effects of this pandemic on our future financial statements.